

MICHIGAN CORPORATION AND SECURITIES BUREAU

RELEASE NO. 96-1-S

TO: ALL INTERESTED PARTIES

SUBJECT: Sales Literature or Advertising Communication

General Background:

Section 403 of the Michigan Uniform Securities Act, 1964 PA 265, as amended (the "Act") provides in part that "the administrator may by rule or order require the filing and acceptance before use of any prospectus, pamphlet, circular, form letter, advertisement, or other sales literature or advertising communication addressed or intended for distribution to prospective investors, including clients or prospective clients of an investment adviser, unless the security...or transaction is exempted by Section 402(a)(1) to (7)." The question has arise whether filing and acceptance before use is necessary where the security is exempt under Section 402(a)(12) [National Association of Securities Dealers - National Market System ("NASDAQ-NMS")], Rule 803.10 [Chicago Board Options Exchange ("CBOE")] or, General Exemption Order dated January 8, 1996 [Tier I of the Philadelphia ("PHLX") and Pacific Stock Exchange ("PSE")]

Action or Interpretation:

It has been the policy of the Bureau not to require the filing and acceptance before use of any prospectus, pamphlet, circular, form letter, advertisement, or other sales literature or advertising communication addressed or intended for distribution to prospective investors for securities exempted by Section 402(a)(7) of the Act. Like Section 402(a)(7), which applies to any securities listed or approved for a listing upon notice of issuance on the New York or American Stock Exchange, Section 402(a)(12), Rule 803.10 and the General Exemption Order dated January 8, 1996, apply to securities listed or approved for listing upon notice of issuance on the NASDAQ-NMS, CBOE, and Tier I of the PHLX and PSE.

The Bureau will treat the filing and acceptance of said materials under Section 403 of the Act for Section 402(a)(12), the CBOE and, Tier I of the PHLX and PSE, in the same manner as it does for securities listed or approved for listing upon notice of issuance under Section 402(a)(7). In other words, no filing will be necessary under Section 403 of the Act for any security exempted by Section 402(a)(12), no filing will be necessary under Section 403 of the Act for any security exempted by Section 402(a)(12), Rule 803.10 or, the General Exemption Order dated January 8, 1996.

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Authority:

Act 265 of 1964, Section 412(a).

Signed by Carl L. Tyson, Director
Corporation and Securities Bureau

Dated: March 12, 1996